UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/810,817	03/29/2004	Avaneesh Dubey	11884/414001	9999

23838 7590 07/09/2008

KENYON & KENYON LLP
1500 K STREET N.W.
SUITE 700
WASHINGTON, DC 20005

EXAMINER	
ROSEN, ELIZABETH H	

ART UNIT	PAPER NUMBER
3692	

NOTIFICATION DATE	DELIVERY MODE
07/09/2008	ELECTRONIC

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

Office Action Summary	Application No.	Applicant(s)	
	10/810,817	DUBEY ET AL.	
	Examiner	Art Unit	
	ELIZABETH ROSEN	3692	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE *3* MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *30 April 2008*.

2a)☒ This action is **FINAL**. 2b)☐ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-8 and 13-28* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-8 and 13-28* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☐ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date _____.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ .
5) ☐ Notice of Informal Patent Application
6) ☐ Other: _____.

DETAILED ACTION

Status of Claims

1. This action is in reply to the Amendment and Response filed on April 30, 2008.
2. Claims 9-12 have been canceled.
3. Claims 1, 3, 4, 13, 19, and 20 have been amended.
4. Claims 1-8 and 13-28 are currently pending and have been examined.

Claim Rejections - 35 USC § 112

5. In light of Applicant's cancellation of Claim 9, the rejection of Claim 9 has been withdrawn.

6. In light of Applicant's arguments concerning Claims 1, 13, 21, and 24 and the limitations of link and linkage, the rejection is withdrawn. However, according to Applicant's arguments, a link can be any form of logical association.

Response to Arguments

7. The Examiner has pointed out particular references contained in the prior art of record within the body of this action for the convenience of the Applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply. Applicant, in preparing the response, should consider fully the entire reference as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the Examiner.

8. Examiner would like to point out that the Supreme Court in *KSR International Co. v. Teleflex Inc.* described seven rationales to support rejections under 35 U.S.C. 103:

- Combining prior art elements according to known methods to yield predictable results;
- Simple substitution of one known element for another to obtain predictable results;
- Use of known technique to improve similar devices (methods, or products) in the same way;
- Applying a known technique to a known device (method, or product) ready for improvement to yield predictable results;
- "Obvious to try" –choosing from a finite number of identified, predictable solutions, with a reasonable expectation of success;

- Known work in one field of endeavor may prompt variations of it for use in either the same field or a different one based on design incentives or other market forces if the variations would have been predictable to one of ordinary skill in the art; and
- Some teaching, suggestion, or motivation in the prior art that would have led one of ordinary skill to modify the prior art reference or to combine prior art reference teachings to arrive at the claimed invention.

Prior art is not limited just to the references being applied, but includes the understanding of one of ordinary skill in the art. The prior art reference (or references when combined) need not teach or suggest all the claim limitations; however, Office personnel must explain why the difference(s) between the prior art and the claimed invention would have been obvious to one of ordinary skill in the art. The "mere existence of differences between the prior art and an invention does not establish the invention's nonobviousness." see *Dann v. Johnson*, 425 U.S. 219, 230 (1976).

9. Applicant's arguments regarding the rejection under 35 U.S.C. 112 of Claim 14 have been fully considered, but are unpersuasive. Claim 14 was rejected because the limitation of "*a plurality of portions*" is indefinite. Applicant correctly points out that the specification does define this limitation. However, the definition in the specification is as unclear as the limitation itself. For example, what is "a part of an overall value of the collateral agreement"? Would this mean an amount of a loan? Would this mean part of the value of the collateral? Furthermore, Applicant points out language in the specification that states "[a] collateral agreement may be divided into portions based on different respective usages contemplated for the portions, as defined by respective declarations of purpose." What are the portions and how do they have different usages?

10. Applicant's arguments regarding the rejections under 35 U.S.C. 103 have been fully considered and are unpersuasive. With respect to Claim 1, Kochansky discloses, as described below, that the system receives a collateral agreement. The agreement includes threshold values for initiating a transfer of collateral between collateral held and collateral pledged. If the criteria are satisfied, collateral held will be transferred to collateral pledged. When the collateral is held as credit, it is unlinked. It is available, but it is not linked until it becomes pledged collateral.

11. Examiner would like to point out that the claims are very broad and the specification does not describe the actual invention. Rather, the specification repeats the language from the claims. The following are questions to note in case Applicant decides to continue prosecution. What is the invention that is being claimed? What is it used for? There are several types of collateral agreements and which type are the subject of this invention? What type of receivables are included in the invention? How are the receivables linked to the collateral agreement? Are these receivables unknown at the time the agreement is made? It appears that no preferred embodiment was disclosed in the specification and without this information, it is not possible to understand the invention.

Claim Rejections - 35 USC § 112

12. The following is a quotation of the second paragraph of 35 U.S.C. 112:

> The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

13. **Claims 14 and 27** are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Claims 14 and 27 include the limitation of "*a plurality of portions*." It is unclear what is meant by this limitation. Does this mean that there are several sections or terms in the agreement?

Claim Rejections - 35 USC § 103

14. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

15. **Claim 1-8, 13-16 and 18-28** are rejected under 35 U.S.C. 103(a) as being unpatentable over **Kochansky** et al., U.S. Patent Application Publication Number 2003/0144940 A1.

Claim 1:

Kochansky discloses the limitations of:

- *providing a first data structure object representing a receivable, the receivable being unlinked to a second data structure object representing a collateral agreement* (see at least Kochansky, Paragraph 0046 ("Memory 12 may contain a plurality of cooperative relational databases. For example, this embodiment has an agreement database 22 for storing a plurality of agreements wherein each agreement relates to the management of collateral assigned to cover the risk created by engaging in the transaction with the counter party and a portfolio database 24 for information relating to the portfolios of financial instruments which may be effected by the transaction with the counter party.") and

Paragraphs 0048-0049 (Collateral held as credit is available for further credit support, but is unlinked until it becomes collateral pledged, which means it is turned over to cover the exposure. At the point it becomes pledged collateral, it is linked.));

- *applying criteria specified in a global declaration of purpose to the receivable for determining whether to* [associate by transferring] *the receivable to the collateral agreement* (see at least Kochansky, Figure 1, Item 22 (Agreement Database), Item 24 (Portfolio Database); Figure 2; Paragraph 0048 (Data from the agreement, including the terms of the agreement, is received by and stored in the system. Data regarding collateral is also stored in the system. The "agreement may contain several other terms or provisions that modify or otherwise effect the calculations and ultimate determination of whether a collateral transfer should occur." The invention in Kochansky uses criteria to determine whether to transfer collateral from collateral held as credit (i.e., "available for further credit support") to collateral pledged (i.e., "collateral already turned over")); and Paragraph 0050 (An exposure value is calculated and compared to the present worth of the collateral to determine whether the collateral should be transferred.)); and
- *if the receivable meets the criteria, automatically forming a* [association] *between the first data structure object representing the receivable and the second data structure object representing the collateral agreement* (see at least Kochansky, Figure 1, Item 22 (Agreement Database), Item 24 (Portfolio Database); Figure 2; Paragraph 0016 ("initiating a transfer of collateral held to collateral pledged if the difference between the computed exposure value and the threshold value is positive"); Paragraph 0048; and Paragraph 0050).

Kochansky, however, does not explicitly disclose:

- *direct link*.

However, Kochansky discloses, as cited in this rejection, that information regarding the agreement and the collateral is received and used to make the determination about whether to transfer the collateral held to pledged collateral. When the word "link" is interpreted in a broad and reasonable manner, it is disclosed in Kochansky. It would have been prima facie obvious to one of ordinary skill in the art at the time of the invention to incorporate this feature with Kochansky's system and method for facilitating collateral management. One of ordinary skill in the art would have been motivated to incorporate this feature for the purpose of determining whether the collateral is covered by the agreement and should be pledged.

Claim 2:

Kochansky, however, does not explicitly disclose:

- *wherein the criteria include an identity of a party to the collateral agreement*.

However, Kochansky discloses that the "processor calculates an exposure value representing the current risk to the party associated with the transaction." (see Kochansky, Paragraph 0049). To make this calculation, information regarding the identity of the party would be essential. It would have been prima facie obvious to one of ordinary skill in the art at the time of the invention to incorporate this feature with Kochansky's system and method for facilitating collateral management. One of ordinary skill in the art would have been motivated to incorporate this feature for the purpose of determining the identity of the party to the agreement so that the collateral is pledged to the correct party.

Claim 3:

Kochansky, however, does not explicitly disclose:

- *wherein the criteria include a type of the at least one receivable*.

However, Kochansky discloses that if the calculated exposure value is greater than the present worth of the collateral pledged, the system will transfer collateral from held to pledged (see Kochansky, Paragraphs 0048-0051). To transfer collateral from held to pledged, it would be essential to the invention in Kochansky that the type of receivable is included in the criteria so that the value of the receivable can be ascertained. It would have been prima facie obvious to one of ordinary skill in the art at the time of the invention to incorporate this feature with Kochansky's system and method for facilitating collateral management. One of ordinary skill in the art would have been motivated to incorporate this feature for the purpose of determining the type of receivable so that the correct collateral is pledged and also to be certain that the collateral conforms to the agreement.

Claim 4:

Kochansky further discloses:

- *wherein the criteria are applied pursuant to the processing of a new or existing the at least one receivable* (see at least Kochansky, Paragraphs 0048-0051 (First the "collateral pledged" is applied to the agreement. If there is a "credit support deficit," then "collateral held as credit" is transferred to "collateral pledged.")).

Claim 5:

Kochansky further discloses:

- *wherein the criteria are applied pursuant to the processing of a new or existing collateral agreement* (see at least Kochansky, Paragraphs 0048-0051).

Claim 6:

Kochansky, however, does not explicitly disclose:

- *wherein the link is formed between the receivable and a portion of the collateral agreement*.

However, Kochansky discloses that an association is formed between the receivable and the collateral agreement (see the rejection for Claim 1). This limitation is an obvious substitution of what is disclosed in Kochansky. It would have been prima facie obvious to one of ordinary skill in the art at the time of the invention to incorporate this feature with Kochansky's system and method for facilitating collateral management. One of ordinary skill in the art would have been motivated to incorporate this feature for the purpose of associating a receivable to a portion of the agreement rather than the entire agreement. An agreement may have several sections or list several types of collateral and it would be obvious that specific collateral could be linked only to where it is specified in the agreement rather than generally linked to the agreement.

Claim 7:

Kochansky, however, does not explicitly disclose:

- *wherein the link is formed between a component of the receivable and the collateral agreement*.

However, Kochansky discloses that an association is formed between the receivable and the collateral agreement (see the rejection for Claim 1). This limitation is an obvious substitution of what is disclosed in Kochansky. It would have been prima facie obvious to one of ordinary skill in the art at the time of the invention to incorporate this feature with Kochansky's system and method for facilitating collateral management. One of ordinary skill in the art would have been motivated to incorporate this feature for the purpose of associating only a portion of a receivable with an agreement when only a portion of the receivable is to be pledged.

Claim 8:

Kochansky, however, does not explicitly disclose:

- *wherein the link is formed between a component of the receivable and a portion of the collateral agreement*.

However, Kochansky discloses that an association is formed between the receivable and the collateral agreement (see the rejection for Claim 1). This limitation is an obvious substitution of what is disclosed in Kochansky. It would have been prima facie obvious to one of ordinary skill in the art at the time of the invention to incorporate this feature with Kochansky's system and method for facilitating collateral management. One of ordinary skill in the art would have been motivated to incorporate this feature for the purpose of associating only a portion of a receivable with an agreement when only a portion of the receivable is to be pledged. Furthermore, an agreement may have several sections or list several types of collateral and it would be obvious that a specific portion of a collateral could be linked only to where it is specified in the agreement rather than generally linked to the agreement.

Claim 13:

Kochansky discloses the limitations of:

- *a collateral agreement* (see at least Kochansky, Paragraph 0012);
- a receivable (see at least Kochansky, Paragraph 0012);
- [an association] *between the collateral agreement and the receivable secured by the collateral agreement* (see at least Kochansky, Figure 1, Item 22 (Agreement Database), Item 24 (Portfolio Database); Figure 2; Paragraph 0016; Paragraph 0048; and Paragraph 0050); and
- *wherein the* [association] *is formed automatically in accordance with criteria of a global declaration of purpose associated with the collateral agreement* (see at least Kochansky, Figure 1, Item 22 (Agreement Database), Item 24 (Portfolio Database); Figure 2; Figure 3 (The transfer determination is done automatically); Paragraph 0016; Paragraph 0048 (The invention in Kochansky uses criteria to determine whether to transfer collateral from collateral held as credit (i.e., "available for further credit support") to collateral pledged (i.e., "collateral already turned over")); and Paragraph 0050).

Kochansky, however, does not explicitly disclose:

- *direct link*.

However, Kochansky discloses, as cited in this rejection, that information regarding the agreement and the collateral is received and used to make the determination about whether to transfer the collateral held to pledged collateral. When the word "link" is

interpreted in a broad and reasonable manner, it is disclosed in Kochansky. It would have been prima facie obvious to one of ordinary skill in the art at the time of the invention to incorporate this feature with Kochansky's system and method for facilitating collateral management. One of ordinary skill in the art would have been motivated to incorporate this feature for the purpose of determining whether the collateral is covered by the agreement and should be pledged.

Claim 14:

Kochansky further discloses:

- *wherein the collateral agreement comprises a plurality of portions* (see at least Kochansky, Paragraph 0012 (The agreement has several terms.)).

Claim 15:

Kochansky, however, does not explicitly disclose:

- *wherein each of the portions has assigned thereto a value that is a part of a total value of the collateral agreement*.

However, Kochansky discloses an exposure value that represents the current risk to the party associated with the transaction. (see at least Paragraph 0049). This risk is based on the agreement. This claimed limitation is an obvious substitution of the invention disclosed in Kochansky (i.e., assigning a value to portions of the agreement instead of assigning a value to the agreement as a whole). It would have been prima facie obvious to one of ordinary skill in the art at the time of the invention to incorporate this feature with Kochansky's system and method for facilitating collateral management. One of ordinary skill in the art would have been motivated to incorporate this feature for the purpose of assigning a value, score, or identifier for each type of collateral listed in the agreement so that the collateral can be ranked and associated with the agreement.

Claim 16:

Kochansky further discloses:

- *wherein each of the portions has associated therewith distinct criteria for forming a link between a respective portion and a receivable secured by the collateral agreement* (see at least Kochansky, Figure 1, Item 22 (Agreement Database), Item 24 (Portfolio Database); Figure 2; Paragraph 0016; Paragraph 0048; and Paragraph 0050).

Claim 18:

Claim 18 is rejected using the same rationale as the rejection for Claim 6.

Claim 19:

Claim 19 is rejected using the same rationale as the rejection for Claim 7.

Claim 20:

Claim 20 is rejected using the same rationale as the rejection for Claim 8.

Claim 21:

Kochansky discloses the limitations of:

- *initiating a request for information concerning a collateral agreement or a receivable* (see at least Kochansky, Figure 1, Item 22 (Agreement Database), Item 24 (Portfolio Database); Figure 2; Paragraph 0016; Paragraph 0048 (Data from the agreement, including the terms of the agreement, is received by and stored in the system. Data regarding collateral is also stored in the system.); and Paragraph 0050); and
- *based on the request, reading* [association] *information that maps collateral agreements to respective receivables* (see at least Kochansky, Figure 1, Item 22 (Agreement Database), Item 24 (Portfolio Database); Figure 2; Figure 3; Paragraph 0016; Paragraph 0048 (The invention in Kochansky uses criteria to determine whether to transfer collateral from collateral held as credit (i.e., "available for further credit support") to collateral pledged (i.e., "collateral already turned over")); and Paragraph 0050).

Kochansky, however, does not explicitly disclose:

- *linkage*.

However, Kochansky discloses, as cited in this rejection, that information regarding the agreement and the collateral is received and used to make the determination about whether to transfer the collateral held to pledged collateral. When the word "link" is interpreted in a broad and reasonable manner, it is disclosed in Kochansky. It would have been prima facie obvious to one of ordinary skill in the art at the time of the invention to incorporate this feature with Kochansky's system and method for facilitating collateral management. One of ordinary skill in the art would have been motivated to incorporate this feature for the purpose of determining whether the collateral is covered by the agreement and should be pledged.

Claim 22:

Claim 22 is rejected using the same rationale as the rejection fro Claim 15.

Claim 23:

Kochansky further discloses:

- *wherein the linkage information maps the portions to respective receivables* (see at least Kochansky, Figure 1, Item 22 (Agreement Database), Item 24 (Portfolio Database); Figure 2; Paragraph 0016; Paragraph 0048; and Paragraph 0050).

Claim 24:

Claim 24 is rejected using the same rationale as the rejection for Claim 21.

Claim 25:

Claim 25 is rejected using the same rationale as the rejection for Claim 22.

Claim 26:

Claim 26 is rejected using the same rationale as the rejection for Claim 23.

Claim 27:

Claim 27 is rejected using the same rationale as the rejection for Claim 14.

Claim 28:

Claim 28 is rejected using the same rationale as the rejection for Claim 15.

16. **Claim 17** is rejected under 35 U.S.C. 103(a) as being unpatentable over **Kochansky** et al., U.S. Patent Application Publication Number 2003/0144940 A1 in view of **Atkins**, U.S. Patent Number 4,953,085.

Claim 17:

Kochansky does not disclose, but **Atkins**, however, does disclose:

- *wherein each portion has a priority* (see at least Atkins, column 14, lines 1-4 ("The client selects the assets to be used as collateral and the priority of all collateralization")).

It would have been prima facie obvious to one of ordinary skill in the art at the time of the invention to incorporate Atkins' method of selecting the priority of all collateralization with Kochansky's system and method for facilitating collateral management. One of ordinary skill in the art would have been motivated to incorporate this feature for the purpose of the priority of the collateral and what should be pledged.

Conclusion

17. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to ELIZABETH ROSEN whose telephone number is (571) 270-1850. The examiner can normally be reached on Monday-Friday, 8:30am-6:00pm est, ALT Fridays off.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Kambiz Abdi can be reached at 571-272-6702. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Nga B. Nguyen/
Primary Examiner, Art Unit 3692